

**Department 530 - Department of Corrections and Rehabilitation
Senate Bill No. 2015**

Executive Budget Comparison to Prior Biennium Appropriations

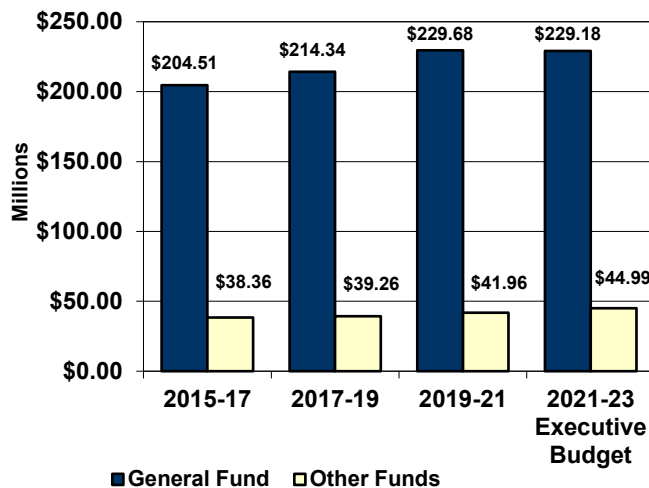
	FTE Positions	General Fund	Other Funds	Total
2021-23 Executive Budget	907.79	\$229,179,922	\$44,993,479	\$274,173,401
2019-21 Legislative Appropriations ¹	899.79	229,678,076	41,955,889	271,633,965
Increase (Decrease)	8.00	(\$498,154)	\$3,037,590	\$2,539,436

¹The 2019-21 biennium agency appropriation amounts have not been adjusted for additional federal Coronavirus (COVID-19) funds authority of \$11,170,709 resulting from Emergency Commission action during the 2019-21 biennium.

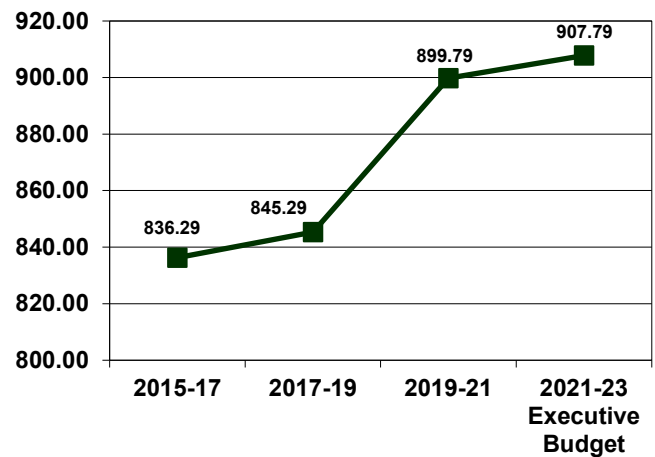
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2021-23 Executive Budget	\$227,873,922	\$1,306,000	\$229,179,922
2019-21 Legislative Appropriations	228,286,826	1,391,250	229,678,076
Increase (Decrease)	(\$412,904)	(\$85,250)	(\$498,154)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2021-23 Executive Budget	\$229,179,922	\$44,993,479	\$274,173,401
2021-23 Base Level	228,286,826	40,124,189	268,411,015
Increase (Decrease)	\$893,096	\$4,869,290	\$5,762,386

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Executive Budget Highlights
(With First House Changes in Bold)**

Agencywide	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$3,514,958 is for salary increases, \$42,596 is for health insurance increases, and \$729,733 is for retirement contribution increases. The Senate added funding for salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 and 2 percent on July 1, 2022, and increases in health insurance premiums from \$1,427 to \$1,429 per month. The Senate did not add funding for retirement contribution increases.	\$4,084,576	\$202,711	\$4,287,287

Juvenile Services

2. Increases funding for teacher salaries to comply with the Teacher Composite Schedule	\$47,638	\$0	\$47,638
3. Adjusts funding for the Youth Correctional Center (YCC), including an overall reduction due to a reduction in population	(\$2,183,081)	\$1,986,085	(\$196,996)
4. Transitions adult female inmates to the YCC	(\$4,498,260)	\$0	(\$4,498,260)
5. Reduces funding for juvenile community programming, including day treatment (\$140,000) and intensive in-home services (\$945,275)	(\$828,107)	(\$347,313)	(\$1,175,420)
6. Adds federal funding for juvenile services	\$0	\$804,020	\$804,020

Adult Services

7. Increases funding for teacher salaries to comply with the Teacher Composite Schedule	\$156,694	\$0	\$156,694
8. Underfunds salaries at the James River Minimum Unit	(\$409,094)	\$0	(\$409,094)
9. Adds funding to expand pretrial services, including 5 new FTE positions	\$882,352	\$0	\$882,352
10. Adds funding to expand community corrections, including 9 new FTE positions	\$1,216,470	\$561,991	\$1,778,461
11. Transfers 6 FTE positions to the Information Technology Department (ITD) as part of the information technology (IT) unification initiative	\$0	\$0	\$0
12. Adjusts funding for adult education	(\$700,512)	\$329,503	(\$371,009)
13. Reduces funding for behavioral health services	(\$436,513)	\$0	(\$436,513)
14. Adds funding to expand the free through recovery program to provide a total of \$8 million from the general fund	\$1,000,000	\$0	\$1,000,000
15. Transitions adult female inmates to the YCC	\$4,498,260	\$0	\$4,498,260
16. Reduces funding for the contract with the Dakota Women's Correctional and Rehabilitation Center (DWCRC). The Senate reduced funding for DWCRC by \$605,311 to provide a total of \$11,300,000 from the general fund for the DWCRC contract.	(\$4,405,311)	\$0	(\$4,405,311)
17. Removes funding for the contract with the Department of Human Services (DHS) for behavioral health services for women under the supervision of the Department of Corrections and Rehabilitation (DOCR)	(\$1,956,000)	\$0	(\$1,956,000)
18. Reduces funding for transitional facilities. The Senate reduced funding for transitional facilities by \$1,179,504 from the general fund.	(\$3,377,816)	\$0	(\$3,377,816)
19. Increases funding for Roughrider Industries	\$0	\$1,868,758	\$1,868,758
20. Adds funding from federal justice reinvestment initiative grants for parole and probation	\$0	\$999,638	\$999,638
21. Increases federal funding for victims of crime grants	\$0	\$121,812	\$121,812
22. Adds one-time funding for deferred admission payments related to COVID-19. The Senate did not provide funding for deferred admission payments related to COVID-19.	\$1,000,000	\$0	\$1,000,000
23. Adds one-time funding for kitchen equipment	\$115,000	\$0	\$115,000
24. Adds one-time funding for miscellaneous equipment	\$191,000	\$0	\$191,000
25. Adds one-time funding for Roughrider Industries equipment	\$0	\$1,281,988	\$1,281,988
26. Adds one-time funding for a Roughrider Industries storage warehouse	\$0	\$500,000	\$500,000

Other Sections in Senate Bill No. 2015

Operating fund authority - Section 3 provides authority to DOCR to deposit in and spend from its operating fund pursuant to legislative appropriation any money received from correctional supervision, electronic monitoring, and detention; reimbursements from other agencies; profits received from the DOCR commissary; miscellaneous revenue, including offender fines, fees, restitution, and medical copayments; and from the YCC permanent fund.

Exemption - Community Behavioral Health Program - Section 4 provides that any unexpended general fund appropriation authority relating to the \$7,000,000 appropriated for the community behavioral health program for the 2019-21 biennium is not

subject to the provisions of North Dakota Century Code Section 54-44.1-11 and may be continued and expended during the 2021-23 biennium.

Exemption - Deferred maintenance and extraordinary repairs - Section 5 provides that up to \$6,000,000 from the general fund appropriated to DOCR for the 2019-21 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended for deferred maintenance and extraordinary repairs projects by DOCR during the 2021-23 biennium.

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

The State Auditor's office reported DOCR:

- Has an inadequate approval process for parole and probation supervision level overrides; and
- Has not ensured pharmacy inventory adjustments are properly reviewed and approved.

Major Related Legislation

House Bill No. 1052 - Provides for DOCR to participate in cooperative agreements with the judicial branch and tribal governments to provide services to juveniles adjudicated in tribal court.

House Bill No. 1112 - Requires DOCR to negotiate with local jail or correctional facilities for the supervision of individuals sentenced to DOCR but refused admission to a DOCR facility.

House Bill No. 1201 - Decriminalizes the possession of less than one ounce of marijuana.

House Bill No. 1393 - Adds the completion of a restorative justice program as a sentencing alternative to incarceration.

House Bill No. 1395 - Appropriates \$11,170,709 of federal funding approved by the Emergency Commission and Budget Section during the 2019-20 interim from the state's allocation from the federal Coronavirus Relief Fund to DOCR in response to the COVID-19 pandemic.

House Bill No. 1470 - Provides for a Legislative Management study of the behavioral health needs of incarcerated adults.

Senate Bill No. 2105 - Amends law relating to the retaking of an offender under supervision in another state.

Senate Bill No. 2106 - Amends law relating to transfer fees and travel fees for adults under supervision.

Senate Bill No. 2178 - Amends law relating to eligibility for early release programs and parole board compensation.

Department of Corrections and Rehabilitation - Budget No. 530
Senate Bill No. 2015
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2021-23 Biennium Base Level	899.79	\$228,286,826	\$40,124,189	\$268,411,015	899.79	\$228,286,826	\$40,124,189	\$268,411,015
2021-23 Ongoing Funding Changes								
Base payroll changes		\$6,927,480	(\$3,828,670)	\$3,098,810		\$6,927,480	(\$3,828,670)	\$3,098,810
Salary increase		3,348,980	165,978	3,514,958		3,354,941	170,646	3,525,587
Retirement contribution increase		695,325	34,408	729,733				0
Health insurance increase		40,271	2,325	42,596		39,978	2,325	42,303
Adds funding for teacher salaries		204,332		204,332		204,332		204,332
Underfunds salaries and wages at the James River Minimum Unit		(409,094)		(409,094)		(409,094)		(409,094)
Adds funding to expand pretrial services	5.00	882,352		882,352	5.00	882,352		882,352
Adds funding to expand community corrections	9.00	1,216,470	561,991	1,778,461	9.00	1,216,470	561,991	1,778,461
Transfers FTE positions for IT unification	(6.00)			0	(6.00)	33,597		33,597
Adjusts funding for adult education		(700,512)	329,503	(371,009)		(700,512)	329,503	(371,009)
Reduces funding for behavioral health services		(436,513)		(436,513)		(436,513)		(436,513)
Adds funding to expand the free through recovery program		1,000,000		1,000,000		1,000,000		1,000,000
Reduces funding for transitional facilities		(3,377,816)		(3,377,816)		(1,179,504)		(1,179,504)
Adjusts funding for YCC		(2,183,081)	1,986,085	(196,996)		(2,183,081)	1,986,085	(196,996)
Reduces funding for juvenile community programming		(828,107)	(347,313)	(1,175,420)		(828,107)	(347,313)	(1,175,420)
Adds funding for Microsoft Office 365 licensing expenses		95,094	16,939	112,033		95,094	16,939	112,033
Adjusts funding for other operations		(401,829)	379,827	(22,002)		2,430,778	379,827	2,810,605
Removes funding for the contract with DHS for behavioral health services for women		(1,956,000)		(1,956,000)		(1,956,000)		(1,956,000)
Reduces funding for the DWCRC contract		(4,405,311)		(4,405,311)		(605,311)		(605,311)
Adds federal funding for juvenile services			804,020	804,020			804,020	804,020
Adds federal justice reinvestment initiative funding for parole and probation			999,638	999,638			999,638	999,638
Adds federal Victims of Crime Act funding for grants			121,812	121,812			121,812	121,812
Increases funding for Roughrider Industries			1,868,758	1,868,758			1,868,758	1,868,758
Adds funding for special assessments		72,000		72,000		72,000		72,000
Reduces funding for bond payments		(196,945)	(7,999)	(204,944)		(196,945)	(7,999)	(204,944)
Total ongoing funding changes	8.00	(\$412,904)	\$3,087,302	\$2,674,398	8.00	\$7,761,955	\$3,057,562	\$10,819,517

One-time funding items

Adds one-time funding for deferred admission payments related to COVID-19	\$1,000,000	\$1,000,000		\$0
Adds one-time funding for State Penitentiary kitchen equipment	85,000	85,000	\$85,000	85,000
Adds one-time funding for James River Correctional Center kitchen equipment	30,000	30,000	30,000	30,000
Adds one-time funding for miscellaneous equipment under \$5,000	191,000	191,000	191,000	191,000
Adds one-time funding for Roughrider Industries equipment		\$1,281,988		\$1,281,988
Adds one-time funding for a Roughrider Industries storage warehouse		500,000		500,000
Total one-time funding changes	0.00	\$1,306,000	\$1,781,988	\$3,087,988
Total Changes to Base Level Funding	8.00	\$893,096	\$4,869,290	\$5,762,386
2021-23 Total Funding	907.79	\$229,179,922	\$44,993,479	\$274,173,401
<i>Total ongoing changes as a percentage of base level</i>	<i>0.9%</i>	<i>(0.2%)</i>	<i>7.7%</i>	<i>1.0%</i>
<i>Total changes as a percentage of base level</i>	<i>0.9%</i>	<i>0.4%</i>	<i>12.1%</i>	<i>2.1%</i>

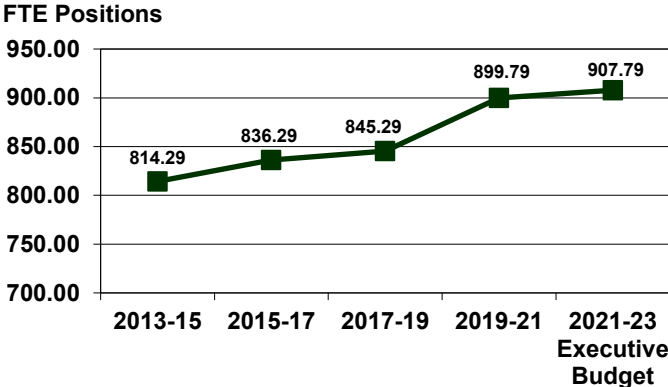
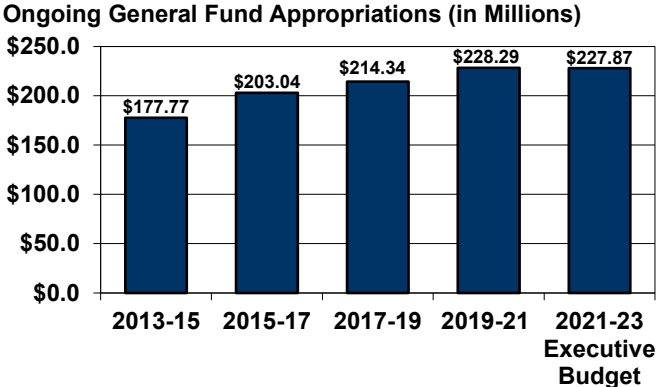
Other Sections in Department of Corrections and Rehabilitation - Budget No. 530

	Executive Budget Recommendation	Senate Version
Operating fund authority	Section 4 would provide authority to DOCR to deposit in and spend from its operating fund pursuant to legislative appropriation any money received from correctional supervision, electronic monitoring, and detention; reimbursements from other agencies; profits received from the DOCR commissary; miscellaneous revenue, including offender fines, fees, restitution, and medical copayments; and from the common schools trust fund.	Section 3 provides authority to DOCR to deposit in and spend from its operating fund pursuant to legislative appropriation any money received from correctional supervision, electronic monitoring, and detention; reimbursements from other agencies; profits received from the DOCR commissary; miscellaneous revenue, including offender fines, fees, restitution, and medical copayments; and from the YCC permanent fund.
Exemption - Community behavioral health program	Section 3 would provide that any unexpended general fund appropriation authority relating to the \$7,000,000 appropriated for the community behavioral health program for the 2019-21 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2021-23 biennium.	Section 4 provides that any unexpended general fund appropriation authority relating to the \$7,000,000 appropriated for the community behavioral health program for the 2019-21 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2021-23 biennium.
Exemption - Extraordinary repairs and deferred maintenance		Section 5 provides that up to \$6,000,000 of unexpended general fund appropriation authority for DOCR for the 2019-21 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended on deferred maintenance and extraordinary repairs projects during the 2021-23 biennium.

Department 530 - Department of Corrections and Rehabilitation

Historical Appropriations Information

Ongoing General Fund Appropriations Since 2013-15



Ongoing General Fund Appropriations					
	2013-15	2015-17	2017-19	2019-21	2021-23 Executive Budget
Ongoing general fund appropriations	\$177,774,343	\$203,044,020	\$214,336,704	\$228,286,826	\$227,873,922
Increase (decrease) from previous biennium	N/A	\$25,269,677	\$11,292,684	\$13,950,122	(\$412,904)
Percentage increase (decrease) from previous biennium	N/A	14.2%	5.6%	6.5%	(0.2%)
Cumulative percentage increase (decrease) from 2013-15 biennium	N/A	14.2%	20.6%	28.4%	28.2%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2015-17 Biennium

- 1. Added funding for targeted equity salary increases for correctional officer positions \$2,126,442
- 2. Added funding for 22 new FTE positions, including 16 parole and probation officers, 1 juvenile corrections specialist, 1 YCC position, 2 adult services treatment positions, and 2 James River Correctional Center central receiving positions \$3,624,413
- 3. Added funding to transfer community sex offender treatment from DHS \$1,865,810
- 4. Added funding for contract housing and programming \$9,243,102
- 5. Increased funding for the DWCR contract \$2,250,000

2017-19 Biennium

- 1. Added 8 FTE YCC positions to maintain compliance with the federal Prison Rape Elimination Act \$1,006,461
- 2. Added funding for a community behavioral health program, including 1 FTE position \$7,000,000
- 3. Reduced funding for salaries and wages and contract housing and programming (\$7,000,000)
- 4. Restored funding for contract housing and programming \$4,715,073
- 5. Adjusted funding for various operating expenses, including food and clothing, medical, travel, utilities, repairs, maintenance, IT, and professional services \$2,364,585

2019-21 Biennium

- 1. Converted 20 temporary correctional officer positions to FTE positions \$326,435
- 2. Added funding for teacher salaries and wages to comply with the Teacher Composite Schedule \$1,357,790
- 3. Adjusts funding and adds 27.5 FTE positions to assume administrative control of the Tompkins Rehabilitation and Corrections Center, including removing \$8.6 million for contract payments to DHS (\$3,576,240)
- 4. Added funding to contract with the State Hospital for up to 30 addiction treatment beds \$3,873,750
- 5. Added funding and 7 FTE positions for pretrial services \$755,034
- 6. Added funding to expand juvenile day treatment to five additional school districts, to provide a total of \$1,053,500 for day treatment in nine school districts \$537,500

7. Increased funding for the DWCRC contract to provide a total of \$11,905,311	\$1,143,360
8. Increased funding for transitional services at the Bismarck Transition Center	\$549,626
2021-23 Biennium (Executive Budget Recommendation)	
1. Adds 5 FTE positions and funding to expand pretrial services	\$882,352
2. Adds 9 FTE positions and funding to expand community corrections	\$1,216,470
3. Adds funding to expand the free through recovery program	\$1,000,000
4. Reduces funding for the DWCRC contract to provide a total of \$7,500,000. The Senate reduced funding for DWCRC by \$605,311 to provide a total of \$11,300,000 from the general fund for the DWCRC contract.	(\$4,405,311)
5. Removes funding for the contract with DHS for behavioral health services for women under the supervision of DOCR	(\$1,956,000)
6. Reduces funding for transitional facilities. The Senate reduced funding for transitional facilities by \$1,179,504 from the general fund.	(\$3,377,816)
7. Reduces funding for juvenile community programming, including day treatment and intensive in-home services	(\$828,107)

**GOVERNOR'S RECOMMENDATION FOR THE
DEPARTMENT OF CORRECTIONS AND REHABILITATION
AS SUBMITTED BY THE
OFFICE OF MANAGEMENT AND BUDGET**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of corrections and rehabilitation for the purpose of defraying the expenses of the department of corrections and rehabilitation, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Adult Services	\$236,625,947	\$13,155,687	\$249,781,634
Youth Services	31,785,068	(7,393,301)	24,391,767
Total All Funds	\$268,411,015	\$ 5,762,386	\$274,173,401
Less Estimated Income	40,124,189	4,869,290	44,993,479
Total General Fund	\$228,286,826	\$ 893,096	\$229,179,922
Full-time Equivalent Positions	899.79	8.00	907.79

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Equipment	\$ 298,700	\$ 191,000
Elite Servers Equipment	40,000	0
Extraordinary Repairs	1,332,250	0
Youth Correctional Center Campus Infrastructure Study	75,000	0
Department of Corrections and Rehabilitation Study	400,000	0
Scan and Screen Device	230,000	0
Redundant Fence	160,000	0
Portable X-Ray Equipment	22,000	0
Oracle Software Upgrade	165,000	0
Contracts and Payment Processing System	100,000	0
Inmate Tracking System	160,000	0
Intake and Legal Movement System	240,000	0
North Dakota State Penitentiary Kitchen Equipment	0	85,000
James River Correctional Center	0	30,000
Storage Warehouse	0	500,000
COVID-19 Deferred Admissions	0	1,000,000
Rough Rider Industries Equipment	0	1,281,988
Total All Funds	\$3,222,950	\$3,087,988
Less Estimated Income	1,831,700	1,781,988
Total General Fund	\$1,391,250	\$1,306,000

The 2021-23 one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The department of corrections and rehabilitation shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021 and ending June 30, 2023.

SECTION 3. EXEMPTION – COMMUNITY BEHAVIORAL HEALTH PROGRAM. Section 54-44.1-11 does not apply to \$7,000,000 provided for the community behavioral health program included in section 1 of chapter 40 of the 2019 Session Laws. Any unexpended funds from this appropriation are available to the department of corrections and rehabilitation for the community behavioral health program during the biennium beginning July 1, 2021 and ending June 30, 2023.

SECTION 4. DEPARTMENT OF CORRECTIONS AND REHABILITATION OPERATING FUND. Any moneys received from correctional supervision, electronic monitoring, and detention; reimbursements from other agencies; profits received from department of corrections and rehabilitation commissary; miscellaneous revenue, including offender fines, fees, restitution, and medical co-payments; and from the common school trust fund; may be deposited in the department of corrections and rehabilitation operating fund and expended pursuant to legislative appropriation for the biennium beginning July 1, 2021 and ending June 30, 2023.